

**GOVERNMENT OF ANDHRA PRADESH**  
**ABSTRACT**

Industries & Commerce Dept. – Industrial Water Allotment Policy for Industrial development of Andhra Pradesh – Policy approved - Orders – Issued.

**INDUSTRIES & COMMERCE (INF) DEPARTMENT**

G.O.MS.No. 202

Dated: 06 -12-2014.

**ORDER:**

The availability of water is finite but the demand for water is increasing rapidly due to growing population, rapid urbanization, rapid industrialization and overall economic development. There is an urgent need to manage water in the most optimal manner so that consumption and developmental needs are met while protecting environment at the same time.

2. At present, the total water resources (surface water and groundwater) of Andhra Pradesh are estimated to be about 108 BCM. Surface water which is primarily from the Godavari and Krishna rivers is primarily used for Irrigation purpose at the present although other needs are expected to grow in the future. The current trends of increase in water supply from all users will outstrip available supplies significantly by 2025.

3. Industry is the second highest consumer of water. The main source of water for the industrial sector is groundwater and partly surface water. Groundwater has emerged as an important source; industrial units tend to depend on groundwater to meet their water requirements.

4. Industrial water demand has been increasing with the pace of industrial development. Industry is an essential engine of economic growth. It is the key element for economic and social progress and hence needs to be made sustainable for overall progress. Adequate resources of good quality water are not only important for sustaining human communities and natural ecosystems but also represent a critical raw material for industry.

5. Water, often in large volumes, is required as a raw material in many industrial processes. In some cases, it may be a direct raw material, bound into the manufactured product and more commonly, water is an indirect raw material, used in washing and cooling, raising steam for energy, cooking and processing and so on. In the latter case, the wastewater may be returned to the local water system after treatment.

6. Though the Industrial Policy envisages reservation of 10% water for industrial use in the State both from the existing and upcoming projects, hardly 1% of water is being supplied to industries at present. This apart, the present Policy of the State gives last preference to industry.

7. The procedure for water allocation is presently cumbersome and the applications filed through Single Window are required to be approved by the Government irrespective of the quantum of water requirement. This is leading to considerable delays.

8. The State Investment Promotion Committee (SIPC) in its meeting held on 03.01.2013, discussed this matter. It was noted that in the 40<sup>th</sup> SIPB meeting held on 22<sup>nd</sup> April, 2003 it was decided that the Chief Engineer, Irrigation shall be competent to issue water allotment orders within a time limit of 7 (seven) days, failing which deemed approval may be given by the respective Committee. But this was not implemented, causing lot of hardship to several industries.

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9. Against this backdrop, Government hereby bring an exclusive Industrial Water Allotment Policy for speedy and sustainable Industrial Development in the State as follows:-

- (a) Allocation of water will be made by the District Industries Promotion Committee headed by District Collector (DIPC and its successor entities) /State Investment Promotion Committee (SIPC and its successor entities) within 7 days from the date of filing application, as long as the same is within the 10% water quota reserved for industrial use. Allocation shall be made by DIPB and SIPC at the District level and State level for projects where clearances are provided at the District level and State level respectively;
- (b) Based on the approval, the Irrigation department will release water promptly. However, in the event of any drought etc. when the overall availability of water in a particular reservoir / project is low, then prorata release of water will be done to the industrial sector by Irrigation Authorities;

Example: If the total capacity is 10 TMC in a particular reservoir, then 1 TMC is the industry sector quota. If in a particular year only 4 TMC of water exists in that reservoir, then 0.4 TMC will be the industry quota.

- (c) The Policy permits industries, in general, to utilize existing Government reservoirs for storage of surplus water for industrial use. In the absence of existing reservoirs, Government land will be provided wherever possible to construct balancing reservoirs for storage of surplus water, if a group of industries come together and are willing to undertake construction of such balancing reservoirs at their own cost;
- (d) Government will promote desalination plants in coastal areas to meet the increasing water demand of various industrial nodes planned in Vizag Chennai Industrial Corridor (VCIC) and the Chennai Bangalore Industrial Corridor (CBIC); and
- (e) Municipal Administration and Urban Development Dept. will prepare a comprehensive plan for recycling of Sewage water for non-potable industrial use and all such industries will be provided infrastructure assistance under industrial policy on priority basis to draw such treated Sewage water for industrial purpose.

10. The Irrigation & CAD Dept./Municipal Administration & Urban Development /Engineer-in-Chief (Irrigation)/Commissioner of Industries shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

J.S.V.PRASAD  
PRINCIPAL SECRETARY TO GOVERNMENT & CIP

To

The Irrigation & CAD Dept.  
The Municipal Administration & Urban Development/Revenue Department  
The Engineer-in-Chief (Irrigation), A.P., Hyderabad.  
The Commissioner of Industries, A.P., Hyderabad.  
The VC & MD, APIIC, Hyderabad.  
All the Departments in AP. Secretariat  
All HoDs under Ind. & Com. Dept.  
All the District Collectors in the A.P. State.  
Copy to: P.S.to Prl.Secy to C.M.  
Copy to:P.S. to Prl.Secy & CIP, Ind. & Com. Dept.

//Forwarded by order//

SECTION OFFICER